

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NEW YORK

FEDERAL TRADE COMMISSION,

Plaintiff,

Case No.: 1:15-CV-00422-EAW

vs.

UNIFIED GLOBAL GROUP, LLC, ARM WNY,
LLC, AUDUBON FINANCIAL BUREAU LLC,
ANTHONY COPPOLA and DOMENICO
D'ANGELO,

**ANSWER OF DEFENDANT
ANTHONY COPPOLA WITH
CROSS-CLAIMS**

Defendants.

Defendant Anthony Coppola (“Defendant Coppola”) as and for his Answer to the Complaint in this action (the “Complaint”) brought by Plaintiff Federal Trade Commission (“Plaintiff”) herein alleges as follows:

1. Defendant Coppola denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 1 of the Complaint, except that Defendant Coppola denies the allegations to the extent that Plaintiff alleges any “deceptive, abusive, and unfair debt collection practices” as against Defendant Coppola.

JURISDICTION AND VENUE

2. Defendant Coppola neither admits nor denies the allegations contained in Paragraph 2 of the Complaint as the allegations contain legal conclusions to which no response is required. Should a further response be required, the allegations are denied and Plaintiff is left to its proof.

3. Defendant Coppola neither admits nor denies the allegations contained in Paragraph 3 of the Complaint as the allegations contain legal conclusions to which no response is

required. Should a further response be required, Defendant denies knowledge or information sufficient to form a belief as to the allegations set forth in said paragraph, and Plaintiff is left to its proof.

PLAINTIFF

4. Defendant Coppola denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 4 of the Complaint.

5. Defendant Coppola denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 5 of the Complaint.

6. Defendant Coppola denies the allegations set forth in Paragraph 6 of the Complaint to the extent they are alleged against Defendant Coppola, and denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

7. Defendant Coppola denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 7 of the Complaint.

8. Defendant Coppola denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 8 of the Complaint, except admits only so much of said paragraph which alleges that a limited liability company named ARM WNY LLC existed and transacted business at one time from the addresses identified therein as 200 John James Audubon Parkway, Amherst, New York 14228 and 401 Creekside Drive, Amherst, New York 14228.

9. Defendant Coppola denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 9 of the Complaint.

10. Defendant Coppola denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 10 of the Complaint..

11. Defendant Coppola denies the allegations set forth in Paragraph 11 of the Complaint, except affirmatively states and/or admits only so much of said Paragraph which alleges that: (i) Defendant Coppola held a 50% ownership interest in ARM WNY; (ii) at one time, Defendant Coppola was a signatory on bank accounts for ARM WNY and Audubon; and (iii) Defendant Coppola resides and has transacted business in this district.

12. Defendant Coppola neither admits nor denies the allegations set forth in Paragraph 12 of the Complaint as the allegations contain legal conclusions to which no response is required. To the extent that a further response may be required, Defendant Coppola denies the allegations set forth in said Paragraph and Plaintiff is left to its proof.

COMMERCE

13. Defendant Coppola neither admits nor denies the allegations set forth in Paragraph 13 of the Complaint as the allegations contain legal conclusions to which no response is required. To the extent that a further response may be required, denies the allegations set forth in said Paragraph and Plaintiff is left to its proof.

DEFENDANTS' ILLEGAL COLLECTION PRACTICES

14. Defendant Coppola denies the allegations set forth in Paragraph 14 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

15. Defendant Coppola denies the allegations set forth in Paragraph 15 of the Complaint.

16. Defendant Coppola denies the allegations set forth in Paragraph 16 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

Defendants' False Threats of Arrest or Other Legal Consequences Against Consumers

17. Defendant Coppola denies the allegations set forth in Paragraph 17 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

18. Defendant Coppola denies the allegations set forth in Paragraph 18 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

19. Defendant Coppola denies the allegations set forth in Paragraph 19 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

20. Defendant Coppola denies the allegations set forth in Paragraph 20 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

21. Defendant Coppola denies the allegations set forth in Paragraph 21 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

Defendants' Deceptive Text Messages to Consumers

22. Defendant Coppola denies the allegations set forth in Paragraph 22 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

23. Defendant Coppola denies the allegations set forth in Paragraph 23 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

24. Defendant Coppola denies the allegations set forth in Paragraph 24 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

Defendants' Unlawful Contacts with Third Parties

25. Defendant Coppola denies the allegations set forth in Paragraph 25 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

**Defendants' Failure to Provide Statutorily-Required
Notices and Disclosures to Consumers**

26. Defendant Coppola denies the allegations set forth in Paragraph 26 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

27. Defendant Coppola denies the allegations set forth in Paragraph 27 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

28. Defendant Coppola denies the allegations set forth in Paragraph 28 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

Defendants' Unlawful Processing Fees

29. Defendant Coppola denies the allegations set forth in Paragraph 29 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

30. Defendant Coppola denies the allegations set forth in Paragraph 30 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

VIOLATIONS OF THE FTC ACT

31. Upon information and belief, Defendant Coppola admits that the quote “unfair or deceptive acts or practices in or affecting commerce” would appear to be included in the statutory language for Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), but denies any liability arising therefrom.

32. Defendant Coppola neither admits nor denies the allegations contained in Paragraph 32 of the Complaint as the allegations contain legal conclusions to which no response is required. Should a further response be required, the allegations are denied and Plaintiff is left to its proof.

COUNT I

False or Misleading Representations to Collect Purported Debts

33. Defendant Coppola denies the allegations set forth in Paragraph 33 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

34. Defendant Coppola denies the allegations set forth in Paragraph 34 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

35. Defendant Coppola neither admits nor denies the allegations contained in Paragraph 35 of the Complaint as the allegations contain legal conclusions to which no response is required. Should a further response be required, the allegations are denied and Plaintiff is left to its proof.

VIOLATIONS OF THE FDCPA

36. Defendant Coppola neither admits nor denies the allegations contained in Paragraph 36 of the Complaint as the allegations contain legal conclusions to which no response is required, and further Defendant Coppola denies knowledge or information sufficient to form a belief as to the characterizations of the statutes cited in Paragraph 36 of the Complaint; Defendant Coppola refers to said statutes for their exact terms, legal force and effect, and otherwise denies any and all liability arising therefrom.

37. Upon information and belief, Defendant Coppola admits the existence of the statute from which partial language from the statute appears to be quoted in the allegations set forth in Paragraph 37 of the Complaint, but denies any liability arising therefrom, and otherwise denies each other and further allegation set forth in said paragraph.

38. Upon information and belief, Defendant Coppola admits the existence of the statute from which partial language from the statute appears to be quoted in the allegations set forth in Paragraph 38 of the Complaint, but denies any liability arising therefrom, and otherwise denies each other and further allegation set forth in said paragraph.

39. Upon information and belief, Defendant Coppola admits the existence of the statutes from which partial language from the statute appears to be quoted in the allegations set forth in Paragraph 39 of the Complaint, but denies any liability arising therefrom, and otherwise denies each other and further allegation set forth in said paragraph.

COUNT II
Unlawful Communications with Third Parties

40. Defendant Coppola denies the allegations set forth in Paragraph 40 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

COUNT III
False, Deceptive, or Misleading Representations to Consumers

41. Defendant Coppola denies the allegations set forth in Paragraph 41 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

COUNT IV
Unauthorized Charges

42. Defendant Coppola denies the allegations set forth in Paragraph 42 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

COUNT V
Failure to Provide Statutorily-Required Notice

43. Defendant Coppola denies the allegations set forth in Paragraph 43 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

CONSUMER INJURY

44. Defendant Coppola denies the allegations set forth in Paragraph 44 of the Complaint as alleged against him, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations as against the remaining defendants.

THIS COURT'S POWER TO GRANT RELIEF

45. Defendant Coppola neither admits nor denies the allegations contained in Paragraph 45 of the Complaint as the allegations contain legal conclusions to which no response is required, and further Defendant Coppola denies knowledge or information sufficient to form a belief as to the characterizations of the statutes cited in Paragraph 45 of the Complaint; Defendant Coppola refers to said statutes for their exact terms, legal force and effect, and otherwise denies any and all allegations and/or alleged liability arising therefrom.

AFFIRMATIVE AND OTHER DEFENSES

AS AND FOR A FIRST DEFENSE

1. Plaintiff's Complaint fails to state a claim upon which relief can be granted as against Defendant Coppola.

AS AND FOR A SECOND DEFENSE

2. To the extent that Defendant Coppola may be found to have been in violation of any provision of the Federal Trade Commission Act and/or Fair Debt Collection Practices Act, which Defendant Coppola specifically denies, Defendant Coppola engaged in good faith efforts to comply with the requirement of said laws, and cannot be held liable to Plaintiff pursuant to 15 U.S.C. § 1692k(c).

AS AND FOR A THIRD DEFENSE

3. Plaintiff's Complaint is barred, whether in whole or part, by the doctrine of unclean hands.

AS AND FOR A FOURTH DEFENSE

4. Plaintiff's Complaint may be barred, whether in whole or in part, by the doctrine of preemption.

AS AND FOR A FIFTH DEFENSE

5. Plaintiff's Complaint is barred by Plaintiff's failure to join a necessary party pursuant to Rule 19 of the Federal Rules of Civil Procedure.

AS AND FOR A SIXTH DEFENSE

6. Plaintiff's Complaint fails as against Defendant Coppola in that it alleges conduct on behalf of corporate entities and wholly fails to identify conduct specific to Defendant Coppola that would warrant individual liability.

AS AND FOR A SEVENTH DEFENSE

7. Plaintiff's Complaint is barred, in whole or in part, by the applicable statute of limitations.

AS AND FOR AN EIGHTH DEFENSE

8. Plaintiff's Complaint as against Defendant Coppola is barred, in whole or in part, as a result of the absence of actual damages on the part of the consumers referenced in Plaintiff's allegations.

AS AND FOR A NINTH DEFENSE

9. Plaintiff's Complaint as against Defendant Coppola is barred, in whole or in part, as a result of Defendant Coppola's absence of consent to the unlawful conduct alleged in the Complaint.

AS AND FOR A TENTH DEFENSE

10. Plaintiff's Complaint as against Defendant Coppola is barred, in whole or in part, to the extent Plaintiff's claim for relief is in truth and reality a claim for exemplary or punitive damages in violation of 15 U.S.C. § 57b(b).

AS AND FOR AN ELEVENTH DEFENSE

11. Plaintiff's Complaint as against Defendant Coppola is barred, in whole or in part, by virtue of any purported violation on the part of Defendant Coppola having been unintentional and the result of *bona fide* error notwithstanding the maintenance of procedures reasonably adapted to avoid any such error.

CROSS CLAIMS

**AS AND FOR A FIRST CROSS CLAIM AGAINST DEFENDANTS
UNIFIED GLOBAL GROUP, LLC, AUDUBON FINANCIAL
BUREAU, LLC, ARM WNY, LLC, AND DOMENICK D'ANGELO**

12. If Defendant Coppola is found liable in this action, Defendant Coppola alleges that such liability was caused, in whole or in part, or contributed to by the culpable conduct and/or intentional acts of Defendants Unified Global Group, LLC, Audubon Financial Bureau, LLC, ARM WNY, LLC and/or Domenico D'Angelo, and therefore, Defendant Coppola shall be entitled to indemnification, contribution and judgment over and against Defendants Unified Global Group, LLC, Audubon Financial Bureau, LLC, ARM WNY, LLC and/or Domenico

D'Angelo for the full amount of said liability or for such proportionate share as represents the amount, degree and kind of culpable conduct attributable to them.

WHEREFORE, Defendant Coppola demands judgment dismissing the Complaint and/or granting Defendant Coppola's Cross-Claim against the remaining defendants, and such other and further relief as this Court deems just and proper.

DATED: September 15, 2015
Buffalo, New York

LIPSITZ GREEN SCIME CAMBRIA LLP

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